(c) if so, the details thereof alongwith the action taken by Government to mitigate the suffering of small tea growers;

(d) whether Government proposes to grant subsidy to the small tea growers in the country for growing tea leaves; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) 1607 tea processing units in the country are registered with the Tea Board at present, of which 1033 are Estate Factories, 536 are Bought Leaf Factories, 24 are Co-operative Factories and 14 are Instant Tea Factories. Facilities being provided to these tea processing units include subsidy for acquiring modern processing machinery, packaging and blending machinery and for obtaining quality assurance certificates.

(b) and (c) The Indian Tea Industry including the small tea growers has been affected due to the fall in prices during the last few years mainly due to the imbalance in supply demand position. Even though there was an improvement in auction prices of tea during 2004, the average auction prices have been lower in 2005. The decline in prices could partly be attributed to supply of comparatively poor quality green leaf to the processing factories and poor manufacturing practices followed by some factories. Good quality leaf continues to get reasonably good prices and better quality made tea also fetches good prices despite the decline in average prices. There has been some improvement in tea prices recently due to various quality control measures taken by the Tea Board.

A number of steps have been taken by the Government and the Tea Board to help the small tea growers. These include implementation of price sharing formula between the small tea growers and manufacturers of tea with effect from 1st April 2004 in order to ensure that the small tea growers get a reasonable share of the price obtained by the manufacturer for made tea and implementation of a Special Tea Term Loan (STTL) which *inter alia* provides for sanctioning of working capital limits up to Rs. 2 lakhs at a concessional rate of interest not exceeding 9% per annum for small tea growers. Government has also set up a Price Stabilization Fund, the benefits of which are available to small tea growers having holding up to 4 hectares. Besides, financial assistance by way of subsidy